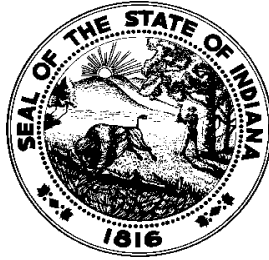


LOCAL GOVERNMENT TAX CONTROL BOARD



**RECOMMENDATIONS
TO THE
DEPARTMENT OF LOCAL GOVERNMENT FINANCE
FROM
AUGUST 07, 2007**

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Call to Order

Dave Christian called the August 7th 2007 Local Government Tax Control Board meeting to order at 9:00 am. Board members present were Dan Jones, Stan Mettler, John Stafford, Ken Kobe and Ken Giffith (who left after the Town of Winfield's presentation). Missing was Lisa Decker. Judy Robertson was the administrative officer for the meeting.

Recommendation:

Ken Kobe motioned to recommend approval of the June 28th 2007 Minutes. John Stafford seconded and the motion carried 5-0-1 with Dave Christian abstaining since he was not present at that meeting.

Lawrence Township, Marion County Emergency Fire Loan

Summary: The unit is requesting approval to obtain a loan in the amount of \$1,836,000 for a term of one (1) year for the purpose of restoring the fire budget adopted by the township board.

Project Costs: \$1,836,000 Amount applied to debt: \$1,836,000 Annual Payment: \$1,954,440

Emergency Loan Calculation:		2007	Budget Information	Amount
Certified Property Taxes		\$7,805,609	Advertised Budget	\$13,010,122
Certified Misc. Revenue		\$1,799,405	Adopted Budget	\$11,827,384
Jan. 1st Cash Balance		\$445,090		
Total Funds Available		\$10,050,104		
Less: Prior Year Encumbrances		\$6,300	DLGF	
Less: Estimated Expenses		\$11,959,728	Approved Budget	\$9,317,593
Funds Needed		\$(1,909,624)	Budget Deficit	(\$2,509,791)

Tax Rate Impact: 2007 AV \$4,006,986,396
 Levy Needed \$1,828,240
 Est. Tax Rate .0456

Meeting and Publication Dates:

Date of publication for a public hearing 05/11 & 18/2007
Date of public hearing 05/22/2007
Resolution/Ordinance adopted 05/22/2007
Notice of Determination 06/14 & 21/2007

Auditor's Certificate of No Remonstrance 07/25/2007

Attendance

The following people attended the meeting: Lucy Emison (Bond Counsel with Ice Miller), Paige Gregory (Financial Advisor with H.J. Umbaugh), Loren Heger (Chief of Staff, Trustee's Office), Mike Blackwell (Fire Chief), Brian Wisheart (Assistant Fire Chief), Ty Brown (Financial Advisor with H.J. Umbaugh), and Rebecca Lightle (Director of Administration).

Discussion:

Paige: We have been seeking emergency loans since 1999. We received a permanent increase to our levy in 2002 in the amount of \$1.8 million. We need to restore several items in the budget, of which almost 96% is allocated for personal services. We continue to look for ways to reduce the budget and control costs. Without this emergency loan, the fire department will be out of money by November. The estimated tax levy is \$1.8 million and has a tax impact rate of four and a half cents.

Questions by board members:

Dave: With all the pressure on property tax controls, how do we get out of the emergency loan process?

Loren: In about twenty days, the township will be voting on whether to consolidate with Indianapolis. If that happens, then it will eliminate the need to ever come back. If not, then I do not know the answer.

Stan: Will the township board pass the consolidation resolution?

Loren: I do not know – I get a different answer every day.

Dave: What got you here, to the point where you have to borrow every year?

Paige: Property tax increases used to be 5 ½ - 6% every year, now it is 4% or less. The increase to the maximum levy has not kept us with the actual growth. The levy wasn't high enough in 1999 to support a paid fire department and it is still not high enough.

Dan: We need to find other ways to fund expenses. People are screaming about increased taxes.

Borrowing money to pay for operating expenses is not good policy.

Paige: I agree, but that is what we have been forced to do in order to continue operating.

Ken K: In looking at this cash flow analysis you have given us, it appears that expenses are increasing about 10% per year. Is that the trend going further out also?

Paige: That is about what the growth has been and it probably will not change for several more years.

Dave: You have also stated that it is a requirement to have four firefighters per apparatus. Is that actually a requirement or a recommendation?

Fire Chief: It is a requirement.

Dave: There is a law or statute that says there has to be four per apparatus?

John: OSHA's requirement is that there are four firefighters on the scene, not the apparatus. OSHA does not address how you get the firefighters to the scene.

Ken K: What was the loan rate last year?

Paige: About two cents.

John: What we need is a brief history, since 2002, of how the township has grown. We would like to see the growth in assessed value, rate increases, budget and revenue increases. We need to see what is driving these loans. In the future, please submit this information also.

Stan: What is the cash balance of your other funds?

Paige: Township fund is \$326,000, township assistance is \$145,000, Cum. Fire is \$1.4 million and the Rainy Day fund has a balance of \$38,000.

Ken K: What is your contingency plan if this loan is not approved?

Fire Chief: We will have to lay-off personnel and close down some stations.

Dan: What is the purpose of your local income taxes?

Paige: It is divided between the general and fire funds to help balance the funds.

John: If I understand what you have told us, you have six vacant positions from last year that you filled this year. Now you come to us, after hiring them to request an emergency loan – is that correct?

Fire Chief: Yes.

Recommendation:

Ken Kobe motioned to recommend approval of an emergency fire loan in an amount not to exceed what is needed to keep the tax rate constant at about two cents and not to exceed last year's amount of \$800,000.

Ken Giffin seconded and the motion carried 5-1 with Stan opposed to the motion.

Perry Township, Marion County Emergency Fire Loan

Summary: The unit is requesting approval to obtain a loan in the amount of \$2,957,303 for a term of one (1) year for the purpose of financing the personal services expenses of the fire department through 2007.

Project Costs: \$2,957,303 Amount applied to debt: \$2,957,303 Annual Payment: \$3,123,651

Emergency Loan Calculation:		2007	Budget Information	Amount
Certified Property Taxes		\$7,045,401	Advertised Budget	\$10,743,865
Certified Misc. Revenue		\$962,362	Adopted Budget	\$10,743,865
Jan. 1st Cash Balance		\$41,723		
Total Funds Available		\$8,049,486		
Less: Prior Year Encumbrances		\$0	DLGF:	
Less: Estimated Expenses		\$10,939,865	Approved Budget	\$7,955,179
Funds Needed		\$(2,890,379)	Budget Deficit	\$(2,788,686)

Tax Rate Impact:	2007 AV	\$3,192,297,700
	Levy Needed	\$3,123,651
	Est. Tax Rate	.0978

Meeting and Publication Dates:

Date of publication for a public hearing	06/01/2007
Date of public hearing	06/12/2007
Resolution/Ordinance adopted	06/12/2007
Notice of Determination	06/15 & 22/2007

Auditor's Certificate of No Remonstrance	07/25/2007
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Note: The estimated expenses used in the emergency loan calculation are \$196,000 more than what was advertised and adopted by the township board. What is the increase for?

Attendance

The following people attended the meeting: Jeff Peters (Financial Advisor), Tricia Leminger (Township Attorney), Gary Coons (Trustee), and Robert L. Zickler (Fire Chief).

Discussion:

Tricia began by distributing a handout that detailed the following points:

- Historical overview and demographics
 - 2000 Census population reports 93,000 people; 10th largest in the State of Indiana
 - Housing permits issued
 - Commercial and industrial growth
 - Decrease in assessed value in spite of growth
- The Department, the Township and today's challenges
 - The department has had a flat or declining overall township tax rate for several years
 - This township has the third lowest fire rate in Marion County
 - Current tax rate is the same as the 2003 tax rate
- Emergency loan request
 - Total request is for \$2,957,303
 - Two percent raise given to firefighters for 2007
 - Fire related budget increased only 2.9% over the 2006 budget
 - Denial or reduction of requested amount would require the department to layoff personnel immediately and reduce services by mid-September.
- Various charts and graphs and comparison analysis

Questions by board members:

Dave: You stated that you only gave a two percent raise, but your budget comparison shows an increase of seven percent in personnel expenses.

Jeff: That amount includes an additional five personnel being hired.

Fire Chief: We are down six uniformed positions and two civilian positions.

Jeff: One thing that I would say about Perry Township is that the rate dropped in 2003 because of reassessment. In 2006, they took some of their COIT and allocated it to the emergency loan in order to buy down the debt. The COIT amount used was \$1.6 million. That is the reason for the huge increase in this year's rate. The only time we can increase income taxes is if we increase the maximum levy because of the way Marion County allocates distributive shares, which is based on the maximum levy of a unit.

John: All other taxing units in the state have their levy controlled by the six-year rolling average; why should townships be any different? Why should they not be controlled in the same manner? With these emergency loans and appeals, township fire levies are wide open with basically no limits.

Jeff: When the geography of a township changes, the property tax increases do not keep up with the actual growth in population. These loans and appeals are the only sources to adjust for actual growth and not the state-wide average growth.

Dave: Again, to repeat what Dan said earlier, borrowing money to fund operating expenses is bad policy.

Jeff: We agree; however, it just takes time for property taxes to catch up to the actual growth. There is an end in sight and that is when the township has reached full build-out.

Dan: This has been going on for twenty years – when does it stop?

Jeff: Whenever Perry Township is fully developed. The CCI and CCD money received from our township's tax payers goes directly to Indianapolis, but they never offer to purchase a fire truck for the township.

Dan: You received about a 4% increase in COIT, what did you do with the additional revenue?

Jeff: Almost all of it went to fund the 2006 debt service. Last year, \$650,000 was put in the general fund to balance that budget and \$550,000 was put in the 2006 debt fund. We use approximately \$130,000 - \$160,000 each year to fund the general fund. The rest is put into the debt fund.

Recommendation:

Ken Kobe motioned to recommend approval of an emergency fire loan in the amount of \$1,800,000 (the same as last year's loan) for a term of one (1) year. Ken Giffin seconded and the motion carried 6-0.

John: I am more interested in the rate impact than the amount of the loan. I would offer an amendment for the full amount, but the rate would not exceed four cents for the debt retirement.

**Indianapolis Redevelopment Commission, Marion County
Redevelopment District Bonds**

Summary: The unit is requesting approval to issue bonds in the amount of \$66,000,000 for a term of thirty (30) years to provide public funding for incentives (including, among other things, an underground parking garage and foundations for the hotel, conveying systems and a pedestrian skywalk to the Convention Center) to facilitate the development, construction and equipping of a 1,000 room Convention Center Headquarters Hotel that will be operated as a full service Marriott branded hotel, together with related infrastructure, public spaces and other local public improvements.

Project Costs: \$66,000,000 Amount applied to debt: \$66,000,000 Annual Payment: \$4,371,600

Controlled or Uncontrolled: Uncontrolled Property Tax backup using TIF revenues

Tax Rate Impact:	2007 AV	\$39,166,915,838
	Levy Needed	\$4,059,318
	Est. Debt Service Rate	.0104

Meeting and Publication Dates:

Resolution/Ordinances adopted	05/16/2007
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Common Construction Wage: hearing held 07/10/2007 Vote: 3-0

The following people attended the meeting: Brian Colton (Financial Advisor with H.J. Umbaugh), Matt Eckerle (Financial Advisor with H.J. Umbaugh), Gary Malone (Financial Advisor with H.J. Umbaugh), Barbara Lawrence (Executive Director of the Indianapolis Bond Bank), Gabriel Bender (Bond Counsel with Baker & Daniels), and Tom Froehle (Bond Counsel with Baker & Daniels).

Discussion:

Barbara: This project is a history-making project. We asked ourselves “what can we do to keep and maintain the vitality of the hospitality and sports arenas industry in Indianapolis?” We identified three things to make the next generation successful. The answer to that question and the solutions are:

1. A new football stadium – the result is Lucas Oil Stadium currently under construction;
2. A miniature expansion of the convention center – this is in the design phase; and
3. A new convention center headquarters and companion hotel– this is project we are here for today.

We chose an Indiana based company to contract with for a new hotel and convention center headquarters. It will have 800 convention class rooms and 200 elite class rooms. 1500 rooms will be provided by four other hotel chains – Fairfield Inn, Marriott Courtyard, Spring Hill and Marriott. The city’s share of the financial cost is \$48,500,000. The State will benefit by about \$4 million per year in increased sales tax revenue.

Gary: The financial breakdown of the \$48,500,000 is:

1. \$8 to \$9 million in capitalized interest during construction
2. A debt reserve of \$4 million
3. The City’s share of construction

We expect that the amount we will need to borrow is about \$62.4 million, but the Council has approved up to \$66 million. There has been no tax abatements requested. If abatement is requested in the future, then the \$48.5 million incentives would be reduced accordingly and negotiated by the City. The back-up request is simply for credit enhancement purposes only. Based on the 2006 tax rate, the TIF district will generate approximately \$4.3 million per year and the debt payment is \$3.9 million per year, which reflects 111% coverage. The City does have flexibility in other revenues to ensure a property tax rate is never needed. They can also use other funds on hand to reduce the amount to be borrowed.

Questions by board members:

Dave: All your assumptions are based on the project being self-supporting, correct?

Gary: Yes; we have two safe-guards in place. One is the debt reserve fund and the second is the combined TIF revenues from the TIF District adjacent to this one. We can use the revenues from that TIF District because the Hotel TIF District directly serves or benefits the TIF District where the Convention Center and Stadium is located. We can tap into those funds if we need to.

Barbara: In order to compete and bring additional industry here, this expansion is critical.

Stan: How has IPS and other taxing units responded to the loss of increased assessed value because of the TIF District?

Gary: I do not think that IPS or Center Township responded during the initialization of the District. A tax impact statement was done as part of the establishment of the TIF area.

Dan: Page 5 of the hearing information sheet shows \$4.6 million in “Other” costs – what is that for?

Gary: That is the amount needed for the debt reserve fund of \$4.1 million, plus \$500,000 for bond issuance costs.

Dan: Does Attachment “A” show the total TIF revenue available?

Gary: Yes, based on the 2006 tax rate, the revenue is \$4.3 million per year.

Dan: What is the trend of revenues in the TIF area?

Gary: The trend for the combined area is two to three percent.

Dan: If you needed to impose a tax rate, what unit would have the rate?

Gary: The Consolidated City and the rate would be around one cent.

Recommendation:

Ken Giffin motioned to recommend approval to issue general obligation bonds with TIF revenue making the debt payments and property taxes as back-up in the amount of \$66,000,000 for a term of thirty (30) years. John seconded and the motion carried 4-1-1 with Dan opposed and Ken Kobe abstaining.

**Delaware Township, Hamilton County
General Obligation Bonds**

Summary: The unit is requesting approval to issue bonds in the amount of \$3,000,000 for a term of fifteen (15) years for the purpose of constructing a 12,000 sq. ft. community center.

Project Costs: \$3,000,000 Amount applied to debt: \$3,000,000 Annual Payment: \$315,000

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2007 AV	\$2,541,442,757
	Levy Needed	\$294,900
	Est. Debt Service Rate	.0116

Meeting and Publication Dates:

Date of Notice of Preliminary Determination	05/08/2007
Date of Public Hearing	05/21/2007
Resolution/Ordinances adopted	05/21/2007
Notice of Determination	06/14,15 & 21,22/2007

Auditor's Certificate of No Remonstrance 08/06/2007

Common Construction Wage hearing held 04/02/2007 Vote: 3-0

Attendance

The following people attended the meeting: Colette Irwin-Knott (Financial Advisor with H.J. Umbaugh), Thomas Peterson (Bond Counsel with Ice Miller), David Day (Local Counsel), Mike Reuter (Consultant), Debbie Driskell (Trustee), and Josh Spinks (Construction Management).

Discussion:

Debbie: The proposed Delaware Township Community Center is a 12,000 square-feet, single story, wood-frame and masonry building. The community center building will include space for a 300-seat banquet function, which is divisible into three smaller meeting rooms; it will also include restrooms, a lobby, offices, a catering kitchen, a file storage room, general storage and a garage.

Our community lacks sufficient public space. In 1963 350 people called Fishers, Delaware Township, home. In 1990 that number had swelled to 7,200. As of 2004, Delaware Township had approximately 35,000 residents. When communities grow at this rate, public accommodations are hard pressed to keep up. We did not start with a base. There were very few buildings here at all fifteen years ago, much less forty years ago.

In a survey of similar-sized communities, we have found that our community is lacking sufficient public space in relationship to its population. The existing township building (built in 2000) provides some space for public and social meetings of the community, including service groups, senior citizen gatherings, etc. Our office denies requests for meeting space daily because we do not have adequate facilities to accommodate them. The Delaware Township Board members and I consistently field requests about our plans to meet the communities' need for additional meeting space.

One of our primary services to the community is the Delaware Township pantry which serves the local needy. The pantry is in need of expansion space in the existing township building. The proposed project will provide storage space for files and other items, giving room for this much needed expansion.

The food pantry provides food and household supplies for three townships (Delaware, Fall Creek and Wayne) because these three townships are all located in the school district. The pantry is stocked solely by donations from a variety of community sources, including groups that use the existing building for meetings. In 2006 the food pantry was able to give away 23,683.5 lbs of food, household supplies and personal items. We had 1,578 users in 2006.

For a variety of reasons, this project will enhance the services we are able to offer. For example:

1. We hope to be able to use appliances that are in the new facility for a dual purpose: to serve the needs of the people who use the building and to be able to store perishable items and frozen food for food pantry users. We are not able to do this currently. We will be able to accept donations that require freezing or refrigeration.
2. If we are able to store records in the new facility, we will free up the basement space for sorting and storing non-perishable food items. For example, we would be able to receive a larger portion of the postal workers food drive because we would have a place to store the food. This is important because the postal workers food drive is in May and is the last major donation until November. Last year we requested 3,000 lbs of food from this drive. We had a need for and could have taken twice that much, but we had no place to sort and store it.
3. The new facility, with its additional storage space, will enable us to move township records from the basement of the existing building. In the past, the basement was used both for the food pantry and for boy and girl scouts meetings. In 2004, the last full year before the basement became a storage area, we were able to host 69 scout meetings. We feel that we should encourage groups like this that make a positive impact on children's lives.

The township board has held several advertised public meetings related to this project and we have not had one single negative comment. Indeed, because of a story published in the local newspaper, we have had several folks drop in to say they believe this community center is much needed.

Finally, it must be noted that no matter what the future structure of local government might be, this community center will remain in the hands of the public for their use for many years to come. The public's

need for meeting space and a food pantry will continue to exist no matter which political subdivision is charged with these duties.

Questions by board members:

Stan: Is the \$3 million all for construction?

Debbie: No, there is land acquisition involved also, plus demolition costs of existing homes on the property.

John: What part of the township is incorporated?

Debbie: About 90%.

John: What is the relationship with municipalities?

Debbie: They are taking care of all the outdoor space – parks and recreation, etc. We have turned our focus to meet this indoor need of the community.

Dave: Is there any covenants in regards to the construction type?

Debbie: Fishers is pretty strict with construction material.

Stan: Is this facility located outside the City limits?

Debbie: No, within the limits.

Dave: I still think this is pricey. The architectural design is wonderful, but it comes with a high price at \$250/sq. ft.

Collette: The actual cost is \$236/sq. ft. and it is all-inclusive. It includes land acquisition, site work and demolition expense.

Dave: I understand, but it is still expensive.

Debbie: One area I neglected to mention is the high cost of utilities. It will require a lift station for handling sewage. To run utility lines to this location is extremely expensive.

Josh Spinks: Seven years ago, it cost \$2 million to build the current facility. With the increase in construction material costs and labor, \$3 million is a very reasonable price.

Recommendation:

Ken Kobe motioned to recommend approval to issue general obligation bonds in the amount of \$3,000,000 for a term of fifteen (15) years. The motion died due to the lack of a second.

Stan motioned to recommend the tabling of this issue until the September meeting. Dan seconded and the motion carried 6-0.

**Jackson Township, Morgan County
Emergency Fire Loan**

Summary: The unit is requesting approval to obtain a loan in the amount of \$43,900 for a term of one (1) year for the purpose of funding contractual obligations.

Project Costs: \$43,900 Amount applied to debt: \$43,900 Annual Payment: \$46,971

Emergency Loan Calculation:	2007	Budget Information	Amount
Certified Property Taxes	\$20,772	Advertised Budget	\$106,000
Certified Misc. Revenue	\$49,177	Adopted Budget	\$106,000
Jan. 1st Cash Balance	\$2,372		
Total Funds Available	\$72,321		
Less: Prior Year Encumbrances	\$0	DLGF:	
Less: Estimated Expenses	\$116,492	Approved Budget	\$59,936
Funds Needed	\$(44,171)	Budget Deficit	(\$46,064)

Tax Rate Impact:	2007 AV	\$156,178,460
	Levy Needed	\$45,923
	Est. Tax Rate	.0294

Meeting and Publication Dates:

Date of publication for a public hearing	05/09/2007
Date of public hearing	05/21/2007
Resolution/Ordinance adopted	05/21/2007
Notice of Determination	05/26/2007

Auditor's Certificate of No Remonstrance	06/27/2007
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Attendance

The following people attended the meeting: Dan Broyer (Trustee) and Marti Broyer (Deputy Trustee).

Discussion:

Ray: This is our third year to request an emergency loan in order to permanently increase our max levy.

Questions by board members:

Dave: How much is the fire contract?

Dan B: For this year it is \$71,000.

Dave: Is this loan going entirely to fund the contract amount?

Dan B: The majority of it is.

Dave: And the remainder is going for what?

Dan: Clothing allowance and some other supplies.

Dave: What was the amount of last year's loan?

Dan: \$50,000 and the first year's was \$42,000.

Recommendation:

Ken Kobe motioned to recommend approval to obtain an emergency fire loan in the amount of \$43,900 for a term of one (1) year. Ken Giffin seconded and the motion carried 6-0.

**Ray Township, Morgan County
Establish Maximum Levies**

Summary: The unit is requesting to re-establish their civil and fire maximum levies.

Levy:	Budget	Levy	Rate	Operating Balance
Civil	\$20,000	\$18,600	.0403	\$11,941 = 60%
Fire	\$10,800	\$12,960	.0372	\$2,995 = 28%

Resolution approving levies 04/25/2007

Note: If we reduce the unit's civil max levy to allow for a 50% operating balance, the levy would be:

Civil	\$20,000	\$16,659	.0360	\$10,000 = 50%
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Attendance

The following people attended the meeting: Ronald F. Burnett (Trustee) and Carroll A. Burnett (Deputy Trustee).

Discussion:

Ronald: We are trying to return the township to proper functions. For reasons unknown, the previous trustee did not submit budget paperwork or advertise a budget for the last two years. We have been operating off of donations and cash balances, which are now exhausted. We need to establish new levies in order to provide township services.

Questions by board members:

John: The last year you had a levy of \$3,500 for fire protection services and you are now asking for a levy of \$13,000?

Ronald: The amount of the current fire contract is \$10,500 and it is the only expense we have.

Recommendation:

Ken Giffin motioned to recommend a civil maximum levy in the amount of \$18,600 and a fire maximum levy in the amount of \$12,960. Stan seconded and the motion carried 6-0.

**City of Logansport, Cass County
Lease Financing**

Summary: The unit is requesting approval to execute a lease in the amount of \$4,000,000 with maximum annual lease rental payments not to exceed \$386,000 for a term of twenty-one (21) years for the purpose of financing the acquisition and construction of local public improvements consisting of a street and related improvements to service the Ivy Tech campus.

Project Costs: \$4,000,000 Amount applied to debt: \$4,000,000 Annual Payment: \$386,000

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2007 AV	\$492,751,690
	Levy Needed	\$386,000
	Est. Tax Rate	.0783

Meeting and Publication Dates:

Date Notice of Public Hearing published	06/04/2007
Date of public hearing	06/18/2007
Resolution/Ordinance adopted	06/18/2007 & 07/23/2007
Notice of Determination	06/19/2007

Auditor's Certificate 07/20/2007 & 08/01/2007

Common Construction Wage hearing held 06/14/2007 Vote: 5-0

Attendance

The following people attended the meeting: Michael Fincher (Mayor), Ruth Ellen Bland (Clerk Treasurer), Sue Beesley (Bond Counsel with Bingham McHale), Alayna Zimmerman (Financial Advisor with Crowe Chizek), and Tom Guevara (Financial Advisor with Crowe Chizek).

Discussion:

Mayor: We are in the process of building a new Ivy Tech complex. It is the main thing we need to have in order to maintain an educated workforce and to maintain stable development. A local farmer donated about \$460,000 via a 60-acre plot. We have received other donations as well. The project consists of building a new road, providing water and sewer utilities and acquiring the site.

Questions by board members:

Dave: My understanding is that it has not been approved by the Budget Committee or the Board of Higher Education.

Mayor: That is news to me – according to our State Senator, I thought it had been approved.

Ken K: Has the funding been approved through the General Assembly?

Mayor: I thought it had.

Dave: The only thing with this project is that it may be a bit premature.

John: You would not issue the bonds until the budget is approved and the funding allocated by the General Assembly?

Mayor: Yes, that is correct.

John: One debt is being retired and you are replacing it with this new debt?

Mayor: Yes - that was the charge to our financial people; to keep the tax rate level.

John: There was no remonstrance?

Mayor: Not a whisper.

Dan: Page two of the hearing information sheet gives a tax rate impact of 4.45 cents – will that put you into a circuit breaker issue? And if so, how will you handle that?

Mayor: We are talking to our legislators about our options. We are not hiring due to attrition and attempting to budget more efficiently.

Stan: Will there be retail stores close by?

Mayor: Not until after the complex is constructed. I am sure that some will pop up – fast food restaurants and that sort of business.

Dave: You have other construction costs of \$600,000 – what is that for?

Sue: It is a contingency amount because the project has not gone to bid yet.

Recommendation:

Ken Giffin motioned to recommend approval to execute a lease in the amount of \$4,000,000 with maximum annual lease rental payments not to exceed \$386,000 for a term of twenty-one (21) years pending technical approval for the Ivy Tech funding approvals by the General Assembly and the Board of Higher Education.

Ken Kobe seconded and the motion carried 4-2 with Dan and Dave opposed to the motion.

Polk Township, Marshall County Fire Equipment Loan

Summary: The unit is requesting approval to obtain a loan in the amount of \$196,000 for a term of six (6) years for the purpose of purchasing a 1992 E-One Hush rescue truck.

Project Costs: \$196,000 Amount applied to debt: \$196,000 Annual Payment: \$39,000

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2007 AV	\$120,036,400
	Levy Needed	\$39,000
	Est. Debt Service Rate	.0325

Meeting and Publication Dates:

Proof of publication for a public hearing	04/26/2007
Date of public hearing	05/08/2007
Resolution/Ordinances adopted	05/08/2007
Notice of Determination	Missing

Common Construction Wage N/A

Attendance

The following people attended the meeting: Lynn Stull (Trustee) and Richard Parker (Advisory Board member).

Discussion:

Lynn: The current truck was bought used in 1994. It has outlived its usefulness and is overloaded with the equipment we have in it now – the Cascade system, jaws of live and other equipment.

Richard: It was an old bread truck that we converted in order to meet the townships' needs.

Lynn: The truck we want to purchase is a 1992 model that was refurbished in 1998 and has only 18,000 miles. A new truck would cost \$450,000 to \$500,000. This used truck is more economical for us and meets our current needs.

Questions by board members:

John: How many vehicles do you have?

Lynn: Seven vehicles located between two stations.

John: Do you have any other vehicles that will need to be replaced in the near future?

Lynn: Not for the next five years.

Recommendation:

Ken Giffin motioned to recommend approval of a fire loan in the amount of \$196,000 for a term of six (6) years. Stan seconded and the motion carried 6-0.

**Town of Winfield, Lake County
General Obligation Bonds**

Summary: The unit is requesting approval to issue bonds in the amount of \$885,000 for a term of five (5) years for the purpose of financing road improvements and repair projects.

Project Costs: \$885,000 Amount applied to debt: \$885,000 Annual Payment: \$203,203

Controlled or Uncontrolled: Uncontrolled

Tax Rate Impact:	2006 AV	\$239,475,820
	Levy Needed	\$193,043
	Est. Debt Service Rate	.0806

Meeting and Publication Dates:

Resolution/Ordinances adopted	06/22/2007
Notice of Determination	06/22/2007

Auditor's Certificate of No Remonstrance 07/16/2007

Common Construction Wage hearing held 07/09/2007 Vote: 4-0-1

Attendance

The following people attended the meeting: William T. Enslen (Town Attorney), Richard C. Anderson Jr. (Clerk Treasurer), Curt Pletcher (Financial Advisor with H.J. Umbaugh), Susan Reed (Bond Counsel with Ice Miller), and Patricia Zelmer (Bond Counsel with Ice Miller).

Discussion:

Winfield is growing by leaps and bounds. Our population almost doubled between 2000-2004 and 2005-2006. The population has increased to almost 4,000 people.

Richard: There has been no remonstrance to this project. Our roads consist of older, rural roads, connector roads, and some sub-division roads. This project meets our constituents' needs. In 1993, when we incorporated, we inherited twenty miles of road and we have not done anything major to them.

Questions by board members:

Dave: Lake County received \$10 million in Major Moves money and \$75 million of MVH funding in 2006 with another \$75 million to be received in 2007. How is that being dispersed in Lake County?

Answer: We are using our Major Moves money, in addition to this funding, to finance road improvements. The total project cost is \$1.2 million.

Ken K: You are estimating an eight cent impact?

Answer: It will be less than that. We received our 1782 Notice last Friday and our assessed value increased to \$295 million.

Ken K: What is your tax rate?

Answer: We have the lowest tax rate in Lake County.

Ken K: What are your future plans?

Answer: We are planning future projects. Our concern is if we will have the bonding capacity to meet a match for federal funds for the 109th Street project. Right now, with our current assessed value, we do not. We are trying to catch up with infrastructure needs.

Curt: The 2005 bonds will be retired in 2010 and that will free up some bonding capacity.

John: When did you incorporate?

Richard: We incorporated in 1993 as a Town and our first road project was in 2005.

John: When did the growth become rampant?

Answer: It has been steady at about a ten to fifteen percent growth per year.

John: As new developers come in, are they contributing to roads?

Richard: Yes, as much as we can legally make it happen, we do. I am a clerk treasurer of a small town in Lake County with a growing population. If I relied on the growth of assessed value, I would be bankrupt in five to ten years.

John: What percentage of the tax base is residential?

Richard: Eighty to ninety-five percent. The total tax rate is 7 ½ ¢, less than half of the state average.

Dan: How is Major Moves allocated?

Richard: The County gets the major portion for unincorporated areas and the remainder is allocated based on population. Next year's allocation will be based on the new population figure.

Dan: \$790,000 is making it to the streets – how much will that cover?

Richard: A couple of reconstruction projects, plus various smaller projects

Dan: The cost of issuing bonds is \$1,008,000; 23% of that is financing and interest. Is issuing bonds the correct mechanism to finance the project? There are also contingency, underwriter's fees, and other fees that seem estimated high. 8% of that is just for financing fees.

John: Two things: 1) considering the property tax issues, you have chosen a bad time to come for approval of more debt; 2) with the exception of a small long-term population group, the majority of your population has moved into the area. As new people come in, it creates the need and let them be aware that the low tax rate that was so attractive will be no more?

Answer: As new developers come in, we do not take on roads and streets – they remain private.

Answer: It is also that the people understand and want us to fix their roads. We have improved the quality of roads that developers must adhere to also.

Dan: What is your budget for the general fund?

Answer: \$675,000.

Recommendation:

John motioned to recommend approval to issue general obligation bonds in the amount of \$885,000 for a term of five (4) years. Stan seconded and the motion carried 4-1 with Dan opposed and Ken Giffin not in attendance.

Town of Cedar Lake Redevelopment Commission, Lake County Lease Financing

Summary: The unit is requesting approval to execute a lease in the amount of \$3,500,000 with maximum annual lease rental payments not to exceed \$413,000 for a term of seventeen (17) years for the purpose of financing road improvements.

Project Costs: \$3,500,000 Amount applied to debt: \$3,500,000 Annual Payment: \$413,000

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2006 AV	\$348,512,618
	Levy Needed	\$384,090
	Est. Debt Service Rate	.1102

Meeting and Publication Dates:

Proof of publication for a public hearing	06/07/2007
Date of public meeting	06/18/2007
Resolution/Ordinances adopted	06/18/2007
Notice of Determination	06/21/2007

Auditor's Certificate of No Remonstrance 07/30/2007

Common Construction Wage hearing held 07/09/2007 Vote: 4-0-1

Attendance

The following people attended the meeting: Bob Swintz (Financial Advisor with London Witte Group), Phil Faccenda (Bond Counsel), David Austgen (Town Attorney), Joan Boyer (Town Manager), and Bob Carnihan (Town Council President).

Discussion:

Dave: What do you do with your Major Moves and MVH money?

Answer: It is dedicated to purchase road rehabilitation equipment – a patcher, roller, grader, black top, etc. We entered into a lease purchase agreement.

This project involves ones we cannot do with our own crew and equipment. We have already completed three and a half miles this year and are working on another quarter mile stretch. We can no longer get fire trucks and ambulances down some of the streets. No major improvements have been done in thirty-five years.

We have been established since before the twentieth century; originally as a resort community. When the Depression occurred, the community kind of disbursed – no one could afford luxury resorts anymore. The Town was incorporated in 1970, and everything has remained basically the same, including the septic system. We have now won the battle with sewers. We are in compliance with IDEM and EPA. Now we need to turn our focus to our road system because of a surge of growth in our population. The roads have been in existence with no maintenance or rehabilitation for a long time. We have spent a considerable lot of time identifying the needs and prioritizing projects. This effort was strongly embraced by the taxpayers and has strong support. No one has opposed, remonstrated, or complained against the project. Two ladies came to the meeting with a concern of what priority was given to their road. Our population exceeds 10,500 today.

Bob Carnihan: I am constantly being asked why we are not repairing the roads. Now that we have begun the process, all I am hearing is "good job".

Questions by board members:

Stan: Why use the lease by the redevelopment commission mechanism instead of general obligation bonds of the Town?

Bob S: The bonding capacity of the Town is only about \$2 million. This way provides more flexibility.

Dan: Page four of the hearing information sheet had Professional Fees and "Other" Fees – what are they for?

Bob S: Mostly for design fees.

Dan: Are there any other sources of revenue that could be pledged to this project?

Bob S: The Town does not have a huge number of revenue sources. Most of the funding is already pledged to other projects.

John: What is the municipal rate for 2007?

Answer: The 2006 rate was sixty-three cents and the 2007 rate is about sixty-four cents.

Dan: Have you done a circuit breaker impact analysis?

Bob S: According to LSA, it is negligible.

Recommendation:

Stan motioned to recommend approval to execute a lease in the amount of \$3,500,000 with maximum annual lease rental payments not to exceed \$413,000 for a term of seventeen (17) years. Dan seconded and the motion carried 4-0-1 with Ken Kobe abstaining.

Further discussion after motion was made:

John: I think that this is too big of a tax impact and also the term of seventeen years is too long for a paving project.

Answer: There is an additional \$2.5 million in utility user fees that will be used to complete all the road projects. Seventeen years is a long time, but we have to rebuild Cedar Lake. The citizens want us to do this and they are not complaining. We will be putting in storm drains as well. They have also seen what we have already done and realize that we are doing exactly what we said we were going to do.

Bob S: Thirty-five years is too long to leave road unattended. The taxpayers want to see something for their money.

Joan: We have the equipment now to maintain the road. They should not ever get in this condition again.

John: You have gotten me past the seventeen years, but not over my first point. I would like to see some evidence of the public support and approval of this project. That would help me make my decision.

Joan: It seems as though the people were expecting us to start on this. We have never charged them a bond before. They are ready, expecting, and supportive of the project.

Town of Munster, Lake County General Obligation Bonds

Summary: The unit is requesting approval to issue bonds in the amount of \$1,970,000 for a term of four (4) years for the purpose of financing general street resurfacing and reconstruction; including design engineering and construction supervision, acquisition of capital equipment items, improvements to municipal facilities, purchase of public works, police and fire equipment plus costs of bond issuance and sale.

Project Costs: \$1,970,000 Amount applied to debt: \$1,970,000 Annual Payment: \$575,863

Controlled or Uncontrolled: Uncontrolled

Tax Rate Impact:	2006 AV	\$1,597,432,193
	Levy Needed	\$478,337
	Est. Debt Service Rate	.0299

Meeting and Publication Dates:

Date of public meeting	05/07/2007
Resolution/Ordinances adopted	05/07/2007 & 06/11/2007
Notice of Determination	05/18 & 25/2007

Auditor's Certificate of No Remonstrance 06/19/2007

Common Construction Wage hearing held 05/25/2007 Vote: 3-0

Attendance

The following people attended the meeting: Dave Shafer (Clerk Treasurer), Tom DeGiwlio (Town Manager), and Lucy Emison (Bond Counsel with Ice Miller).

Discussion:

Dave C: How much and what are you doing with your Major Moves and MVH monies?

Dave S: We will get \$550,000 in Major Moves money and \$350,000 in MVH – about \$900,000 total. We have earmarked that amount for an underpass project. The design phase of the project is \$3 ½ million. We used to get \$450,000 in casino money, but that has been reduced to about \$250,000 because the rest is being used to pay back the circuit breaker.

We have identified \$2 million in road projects for this year and next, and another \$4 ½ million needed in three to five years. We have to keep moving because the roads keep getting older. We are looking to the RDA to help us with the double underpass project. They will not help with smaller projects. We are using every tool we have.

Questions by board members:

John: Page seven lists your outstanding bonds – talk about your debt management plan.

Dave S: As one series of bonds retire, we replace it with another. We issue relatively short-term bonds; maximum term has been five years. The impact of this bond issuance will be nil. The debt service rate is kept flat level.

Tom D: We have a unique situation in our Town. The taxpayers remonstrate when we do not do anything. Our taxpayers want us to keep moving forward.

Recommendation:

John Stafford motioned to recommend approval to issue bonds in the amount of \$1,970,000 for a term of four (4) years. Stan seconded and the motion carried 5-0.

**St. Joseph County Public Library, St. Joseph County
General Obligation Bonds**

Summary: The unit is requesting approval to issue bonds in the amount of \$18,000,000 for a term of eleven (11) years for the purpose of financing the following projects:

1. Addition and renovation of the LaSalle Branch Library
2. Addition and renovation of the River Park Branch Library
3. Addition and renovation of the Virginia M. Tutt Branch Library
4. Addition and renovation of the Western Branch Library
5. Construction and equipping of a new Francis Branch Library
6. Construction and equipping of a new German Township Library
7. The proposed installation of all of the equipment related to an automated self-check system throughout all of the Public Library's facilities

Project Costs: \$18,431,000 Amount applied to debt: \$18,000,000 Annual Payment: \$2,323,073

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2006 AV	\$5,330,624,976
	Levy Needed	\$2,090,766
	Est. Debt Service Rate	.0392

Meeting and Publication Dates:

Proof of publication for a public hearing	04/13/2007
Date of public meeting	04/23/2007
Resolution/Ordinances adopted	04/23/2007
Notice of Determination	05/04/2007

Auditor's Certificate of No Remonstrance 06/05/2007

Common Construction Wage hearing held 07/05/2007 Vote: 4-0-1 abstained

Attendance

The following people attended the meeting: Richard Treptow (Financial Advisor with H.J. Umbaugh), Shirleen Martens (Library staff), Jeff Qualkinbush (Bond Counsel with Barnes & Thornburg), Donald J. Napoli (Library Director), and Debra Futa (Assistant Library Director).

Discussion:

Donald read from a prepared statement that addressed the following points (see file for statement):

- Background
 - Second phase of a multi-phase plan that began four years ago
 - This long range plan has been, and continues to be, a very public process
 - The library board approved the Long Range Capital Improvements Plan in April 2005
 - All outstanding debt will be paid off by the end of 2007
- Project description
 - Phase 2 concentrates on renovations and expansions of four city branches, replacement of one branch, and the creation of a new branch library

- Also includes the updating of the library automation system
- Finance through bonds in the amount of \$18,000,000 for a term not to exceed 12 years
- This method keeps the tax rate stable and very close to the 2006 tax rate
- They have not had any public opposition to any of the projects
- Financing parameters and tax rate implications
 - Estimate the impact of 1 ½ cents and will not result in any impact on the general fund rate

Questions by board members:

Dan: Page four of the hearing information sheet lists “loose equipment”, “technical equipment”, and “other equipment”; does all of this equipment have a useful life of seventeen years or more?

Answer: The “Other” amount of \$910,000 is the collection for the new branch library; it will definitely have a useful life of seventeen years. An automated system usually lasts three years. There would be partial upgrades during those three years, mainly software, but not a new system.

Jeff Q explained the permitted realms of the equipment.

John: What is the debt rate using the certified 2007 assessed value?

Richard: About three and a half cents.

John: Do you have a cumulative fund, and if so, what is it used for?

Answer: We have a library capital projects plan and we use it to replace computers, repair roofs and boilers, and save up for projects like this one.

John: Did the County Commissioners have to approve this?

Answer: They do not have to, but we take it before them as a courtesy. They all support the library. Their vote on the Capital Projects Plan has always been 9-0.

Dan: How are you going to handle the increased operating costs?

Answer: The automatic self-check system will eliminate the need for additional staffing in the larger facilities.

Dave: My concern is that you truly do not know what the tax rate impact is because St. Joseph has not received their budgets and tax bills have not gone out.

Richard: The impact, based on the certified assessed value, is \$5.50 per year. We do not anticipate a shift in tax burden in St. Joseph County.

Donald: I did not get the sense that the taxpayers see this as a burden. They are supportive, as well as the local business owners. This has been a very public issue that has received a lot of media coverage.

Jeff Q: The library district is only 1-1½% of the total rate. This is not a significant impact.

Recommendation:

Stan motioned to recommend approval to issue general obligation bonds in the amount of \$18,000,000 for a term of eleven (11) years. John seconded and the motion tied 2-2-1 with Ken Kobe abstaining.

John motioned to forward the issue to the Commissioner with no recommendation until it is known what the impact will be when St. Joseph County tax rates are certified, and also gives the Library the opportunity to look for alternative or additional financing sources. Stan seconded and the motion carried 4-0-1 with Ken Kobe abstaining.

**Hamblen Fire Protection District, Brown County
Fire Loan**

Summary: The unit is requesting approval to obtain a loan in the amount of \$104,000 for a term of three (3) years for the purpose of purchasing 10 breathing apparatus units (\$80,000) and the payoff of a fire truck balloon payment (\$24,000).

Project Costs: \$104,000 Amount applied to debt: \$104,000 Annual Payment: \$37,967

Controlled or Uncontrolled: Controlled

Tax Rate Impact:	2006 AV	\$172,269,477
	Levy Needed	\$34,550
	Est. Debt Service Rate	.0201

Meeting and Publication Dates:

Proof of publication for a public hearing	02/07/2007
Date of public hearing	02/21/2007
Resolution/Ordinances adopted	02/21/2007
Notice of Determination	03/07/2007

Auditor's Certificate of No Remonstrance 04/09/2007

Attendance

The following people attended the meeting: Roy Shea (Trustee) and Michael (?) (Fire Chief).

Discussion:

Our SCBA bid was done six months ago; we may need to revise the bid. The balloon payment is a relic from the previous board. We were making the debt payments from the cumulative fund and excess cash balance. The cash is exhausted and the cumulative fund is only bringing in about half of the amount we need.

Questions by board members:

Stan: Does the SCBA's include the compression to refill them?

Answer: No, but we have a portable one, plus a cascade system at the station. We are also allowed to use the one at Nashville.

Dave: What is the expectant life of the tanks?

Michael: About fifteen years, unless one is damaged.

Dave: Are the tanks tested every five years?

Michael: Yes.

Recommendation:

Ken Kobe motioned to recommend approval of a fire loan in the amount of \$104,000 for a term of three (3) years. Stan seconded and the motion carried 5-0.

**Prairie Township, Henry County
Public Works Project Loan**

Summary: The unit is requesting approval to obtain a loan in the amount of \$50,000 for a term of four (4) years for the purpose of purchasing a building.

Project Costs: \$50,000 Amount applied to debt: \$50,000 Annual Payment: \$14,289

Controlled or Uncontrolled: Uncontrolled

Tax Rate Impact:	2007 AV	\$115,846,460
	Levy Needed	\$13,749
	Est. Debt Service Rate	.0119

Meeting and Publication Dates:

Proof of publication for a public hearing	09/14/2006
Date of public hearing	09/25/2006
Resolution/Ordinances adopted	09/25/2006
Notice of Determination	09/28/2006

Auditor's Certificate of No Remonstrance 10/30/2006

Attendance

The following people attended the meeting: Mike Burch (Trustee).

Discussion:

I would like to buy a vacant bank branch. It has a good parking lot and sufficient storage space for the township office. This will allow me to empty a garage and store everything in one place. The appraised value of the building is \$126,000 and they are willing to sell it to me for \$50,000. I could lease the space I do not need for \$400 per month to another tenant. There were no taxpayer objections.

Questions by board members:

Recommendation:

Ken Kobe motioned to recommend approval of a public works project loan in the amount of \$50,000 for a term of four (4) years. John seconded and the motion carried 5-0.
